

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

BLACKWATER SECURITY CONSULTING,
LLC, a Delaware Limited Liability Company; and
BLACKWATER LODGE AND TRAINING
CENTER, INC., a Delaware Corporation,

Plaintiffs,

v.

WESTCHESTER SURPLUS LINES INSURANCE
COMPANY, a Georgia Corporation; EVANSTON
INSURANCE COMPANY, an Illinois Corporation;
FIDELITY AND CASUALTY COMPANY OF
NEW YORK, a South Carolina Corporation; and
LIBERTY INSURANCE UNDERWRITERS, a
Massachusetts Corporation,

Defendants.

CIVIL ACTION NO. 05-CV-06020

DECLARATION OF CHRISTOPHER J. TELLNER

I, Christopher J. Tellner, upon oath depose and state as follows:

1. I am an associate with the law firm of Post & Schell, P.C. I make this Declaration in support of the Memorandum of Law of Defendant Liberty International Underwriters in Support of Motion for Summary Judgment as to Coverage Issue. I have personal knowledge of all of the facts set forth in this Declaration.

2. I have attached as Exhibit 1 a true and correct copy of the complaint in the case captioned *Nordan v. Blackwater Security Consulting, LLC*, Dkt. No. 05 CV 000173, Superior Court of North Carolina, Wake County ("*Nordan I*").

3. I have attached as Exhibit 2 a true and correct copy of the Demand for Arbitration filed on or about December 14, 2006, by Blackwater Security Consulting, LLC and Blackwater Lodge and Training Center, Inc. ("Blackwater") with the American Arbitration Association.

4. I have attached as Exhibit 3 a true and correct copy of the Petition For Order Directing Arbitration Pursuant To The Federal Arbitration Act filed on or about December 20, 2006, by Blackwater in the United States District Court for the Eastern District of North Carolina.

5. I have attached as Exhibit 4 a true and correct copy of the Order by Senior United States District Judge James C. Fox, of the United States District Court for the Eastern District of North Carolina, entered on or about June 11, 2007.

6. I have attached as Exhibit 5 a true and correct copy of the Authorization For Use Of Military Force Against Iraq Resolution of 2002, dated October 16, 2002.

7. I have attached as Exhibit 6 a true and correct copy of Testimony from the United States House of Representatives, Committee on House Oversight and Government Reform (Feb. 7, 2007).

8. I have attached as Exhibit 7 a true and correct copy of testimony from the United States Senate, Armed Services Committee, Hearing on Iraq Sovereignty (June 25, 2004).

9. I have attached as Exhibit 8 a true and correct copy of the Statement by Chris Taylor, Vice President, Blackwater USA before the United States House of Representatives, Committee on House Government Reform, Subcommittee National Security, Emerging Threats, and International Relations (June 13, 2006).

10. I have attached as Exhibit 9 a true and correct copy of the relevant portions of the United States Department of Defense, Quadrennial Defense Review Report (Feb. 6, 2006).

11. I have attached as Exhibit 10 a true and correct copy of "Blackwater's Initial Disclosures Pursuant To Federal Rule Of Civil Procedure 26(a)(1)" in the case captioned *Blackwater Security Consulting, LLC v. Westchester Surplus Lines Insurance Company*, Civ. Action No. 05-6020 (PBT) (E.D. Pa., July 16, 2007).

12. I have attached as Exhibit 11 a true and correct copy of the Independent Contractor Service Agreement between Blackwater and Stephen S. Helvenston (Mar. 16, 2004).

13. I have attached as Exhibit 12 a true and correct copy of the Agreement for Security Services between Blackwater and Regency Hotel & Hospital Company (Mar. 12, 2004).

14. I have attached as Exhibit 13 a true and correct copy of the Notice of Removal of *Nordan v. Blackwater Security Consulting, LLC*, Dkt. No. 05 CV 000173, originally filed in the Superior Court of North Carolina, Wake County (Jan. 24, 2005).

15. I have attached as Exhibit 14 a true and correct copy of the Appellate Brief of Blackwater in the case captioned *Nordan v. Blackwater Security Consulting, LLC*, Dkt. No. 05 CV 000173, originally filed in the Superior Court of North Carolina, Wake County (Oct. 31, 2005).

16. I have attached as Exhibit 15 a true and correct copy of the Petition for a Writ of Certiorari to the United States Court of Appeals for the Fourth Circuit filed by Blackwater in the case captioned *Nordan v. Blackwater Security Consulting, LLC*, Dkt. No. 05 CV 000173, originally filed in the Superior Court of North Carolina, Wake County (Dec. 2, 2006).

17. I have attached as Exhibit 16 a true and correct copy of the Verified Supplemental Petition For Order Directing Arbitration in the case captioned *Blackwater Security Consulting, LLC v. Richard P. Nordan*, Cane No. 2:06-CV-49-F (E.D.N.C., July 10, 2007).

18. I have attached as Exhibit 17 a true and correct copy of the Notice of Removal in the case captioned *Nordan v. Blackwater Security Consulting, LLC*, No. 5:07-CV-00175 (E.D.N.C., May 14, 2007) ("*Nordan II*").

19. I have attached as Exhibit 18 a true and correct copy of Commercial Umbrella Liability Policy, number LQ1-B71-200233-014, issued by Liberty International Underwriters to Blackwater Lodge and Training Center, Inc. at the business address 850 Puddin Ridge Road, Moyock, NC 27958 for the policy period January 27, 2004 to January 23, 2005.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

/s/ Christopher J. Tellner
Christopher J. Tellner

Executed on July 27, 2007